

Investment in Delcam plc

Renishaw plc is pleased to announce that it has conditionally agreed to invest £6,096,208 in Delcam plc by subscribing for 1,524,052 new Ordinary Shares at £4.00 per share.

Delcam is one of the world's leading suppliers of advanced CAD/CAM software product development solutions for the manufacturing industry and is listed on the London Stock Exchange's AIM market.

Delcam's sales for the year ending 31 December 2005 were £23.5m and its profit before tax, £2.3m. Delcam will be announcing its 2006 results today.

The investment represents approximately 20% of Delcam's enlarged capital. The net proceeds will be used to fund the expansion of Delcam's business and for further investment in the development, sales and support of Delcam's products.

It has been agreed with Delcam that Renishaw is entitled to nominate a director for appointment to the board of Delcam for so long as Renishaw maintains a shareholding of at least 15%.

Renishaw and Delcam have worked together for many years and share common metrology interests and customers. Renishaw believes that closer cooperation with Delcam will enhance the sales of both companies and will provide opportunities for developing software to support Renishaw's products.

The Directors of Renishaw are very pleased to further their long-standing relationship with Delcam in this manner and are confident that the new relationship will be extremely fruitful for the progress and continuing development of both companies.

Sir David McMurtry CBE, RDI, CEng, FIMechE, FREng
Chairman and Chief Executive
30 March 2007

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